



Public Finance

Finance Commission submitted report on tax distribution to President

The 16th Finance Commission on Monday submitted its report containing recommendations for distribution of taxes between the Centre and States. The recommendations will be known at the time of the presentation of the Union Budget in February next year. "Members of the 16th Finance Commission, led by its Chairman, Arvind Panagariya, called on President Droupadi Murmu and submitted the Commission's report for 2026, is a constitutional body formed by the President to give suggestions on Centre-State financial relations. Recommendation related with devolution is normally implemented as it is by the government. (*BusinessLine*)

CAG directs all states to adopt uniform expenditure classification by FY28 in major public finance reform

The Comptroller and Auditor General (CAG) of India has directed all states to adopt a uniform structure for classifying government expenditure by FY 2027–28. The move aims to overhaul the country's public finance architecture, ending decades of inconsistency in the way spending is recorded across the federal system, according to Jayant Sinha, deputy CAG (Government Accounts). The decision, notified to the Union and state governments on 11 November, brings uniformity to the Object Heads of expenditure—the most detailed level of the accounting hierarchy that classifies how each rupee of government expenditure is categorised. (*Mint*)

State government approves GCC's request for issuance of green municipal bonds for biomining and reclamation of land in Kodungaiyur

The State government has issued a government order to raise funds for the Greater Chennai Corporation (GCC) through issuance of green municipal bonds for financing the project for disposal of legacy waste and reclamation of land at Kodungaiyur dump yard in north Chennai. Once the green municipal bonds are issued, GCC is expected to expedite the work on reclamation of land at Kodungaiyur dump yard after biomining of legacy waste. The biomining work in Kodungaiyur dump yard is under way. (*The Hindu*)

RBI's share in outstanding govt securities rises, bond yields likely to stay rangebound: SBI Report

The Reserve Bank of India's (RBI) share in the outstanding government securities (G-secs) has seen a noticeable rise over the past year, according to a recent report by the State Bank of India (SBI). The report mentioned that the RBI's holding increased to 14.2% in June 2025, compared with 11.9% in June 2024, and 10.6% in December 2025. It stated, "RBI's share in outstanding Government securities has increased to 14.2% in Jun-25 from 11.9% in Jun-24, and 10.6% in Dec'25." (*BusinessLine*)

Govt to bridge inconsistencies in pension rules: DFS Secretary D Nagaraju

The Centre would continue to encourage retirement savings and bridge the inconsistencies in pension rules to ensure that both the organised and unorganised sectors are covered, department of financial services secretary D Nagaraju said Tuesday. He pointed out the inconsistencies in pension rules which say that employees with a basic salary and dearness allowance of above ₹15,000 are not automatically required to contribute to the Employees Provident Fund (EPF) and Employee Pension Scheme (EPS) but can choose to join voluntarily with employer consent with contributions limited to the ₹15,000 ceiling. *(The Economic Times)*



Taxation

ITR forms, Rules under new I-T Act to be notified by January: CBDT chief

The Income Tax department will by January notify the ITR forms and Rules under the simplified Income Tax Act, 2025, which will come into effect from next fiscal beginning April 1, Central Board of Direct Taxes (CBDT) chief Ravi Agrawal said on Monday. The intent of the department is to keep the income-tax return forms simple to ease compliance under the new law, which replaces the six-decade old Income Tax Act, 1961, he said. *(The Hindu)*

Auto sector seeks relief on Rs 2,500 cr cess credit lapse under GST 2.0

Auto industry representatives are understood to have taken up with the government the issue of Rs 2,500 crore compensation cess credits arising out of GST 2.0 regime in their pre-Budget meeting, according to sources. Representatives from the auto industry, including Society of Indian Automobile Manufacturers (SIAM), in their meeting with Finance Minister Nirmala Sitharaman and senior officials held on Tuesday, raised the matter and sought a resolution of the matter citing genuine concerns of dealers, which are mostly small and medium enterprises, a person aware of the development said. *(Business Standard)*



National Accounts and State of the Economy

Mind the gap: GDP growth vs corporate results reveal real lack of demand

India's economy continues to post headline numbers that would make most finance ministers envious. Gross domestic product is forecast to grow 7.4 percent in FY26, according to the National Institute of Public Finance and Policy. The baseline is 7.1 percent, rising to 8.8 percent in a sunnier scenario. Moody's Ratings expects India to be one of the world's fastest-growing big economies in 2026 and 2027, at 6.4 percent and 6.5 percent, respectively. *(Business Standard)*

Icra projects India's GDP growth to ease to 7% for September quarter

Rating agency Icra on Tuesday projected GDP growth to moderate in July-September period of FY26 to 7 per cent, from 7.8 per cent in the previous quarter, amid lower government spending. Icra said while the services and agriculture sectors would lose some momentum in the second quarter, industrial performance would be strong propelled by manufacturing, construction and favourable base effects. This is expected to underpin the quarter's economic activity. *(Business Standard)*

India's GDP growth for second quarter at 7.5% and more due to GST cut led festive sales, says SBI report

India's real Gross Domestic Product (GDP) growth for the second quarter (July to September) would be 7.5% or more due to the consumption boost following the Goods & Services Tax (GST) rate cut, said the research department of State Bank of India (SBI) on Tuesday (November 18, 2025). *(The Hindu)*

200% spike in gold import drives India's trade deficit to \$41.68 billion

India's merchandise trade deficit widened to a record \$41.68 billion in October, as gold imports trebled and outbound shipments registered their sharpest contraction in 14 months, according to data released by the commerce department. Merchandise exports fell 11.8 percent to \$34.38 billion, an 11-month low, while goods imports grew 16.66 percent to an all-time high of \$76.06 billion. *(Business Standard)*



Banking and Monetary Policy

Flexible inflation targeting, a good balance

The present Flexible Inflation Targeting (FIT) framework in India as a mandate for monetary policy to manage inflation at 4% (+/-) 2% is ending in March 2026 and is under review. In this regard the Reserve Bank of India (RBI) has brought out a well-researched discussion paper and has several questions for which views have been sought. *(The Hindu)*

Banks to up scrutiny on loans to export-driven cos post RBI's relief measures

Banks will step up scrutiny of loans extended to exporting companies as the Reserve Bank of India's recently announced relief measures for exporters are implemented, experts say. "As exporters have been given time to bring back their dollars from 9 to 15 months, there can be a temporary mismatch between inflows and outflows, thus putting pressure on the currency,". *(BusinessLine)*

Are banks ready to adopt the new nomination rules?

The Reserve Bank of India on October 28 notified amendments made by the Centre to Sections 45ZA, 45ZC and 45ZE of the Banking Regulation Act, 1949. These provisions relate to nomination facilities for bank deposits and safe-deposit lockers. The revised Rules have into effect from November 1. *(BusinessLine)*

RBI announces trade relief measures to support exporters deal with tariff headwind

To provide relief to exporters on account of trade disruptions arising due to global headwinds, more specifically tariffs, the Reserve Bank of India (RBI) on Friday announced a host of trade relief measures that could mitigate a part of the impact. The Reserve Bank has permitted exporters to bring proceeds of their shipments in 15 months as against the prevailing timeframe of nine months in view of stress being faced by them. *(The Hindu)*

RBI may approve 1-3% provisioning floor for stage-2 loans under ECL framework: Sources

The Reserve Bank of India could consider approving the request of bankers to lower the provisioning requirement on Stage-2 loans to 1-3 percent from the proposed 5 percent under the draft Expected Credit Loss (ECL) guidelines, according to sources. Bankers, in their representation to the RBI, requested to reconsider its proposal of making 5 percent provision for Stage-2 assets as they currently make only 0.4 percent provision for most standard and stressed assets. *(BusinessLine)*

Reserve Bank of India has a strong and resilient balance sheet, says RBI Deputy Governor

Shirish Chandra Murmu, Deputy Governor, Reserve Bank of India, has noted in a speech that Reserve Bank of India (RBI) has a strong and resilient balance sheet, with adequate level of risk provisioning. Over the years, RBI has consistently worked to align its accounting practices with global best practices, while staying true to core principles of prudence and conservatism. *(Business Standard)*

Reserve Bank of India announces relief for exporters amid trade worries

Amid trade tensions with the US that has imposed a 50 per cent tariff on Indian exports, the Reserve Bank of India (RBI) on Friday announced a host of relief measures for exporters. The measures included easing of the burden of debt repayments on some impacted sectors and relaxation in the repayment of export credit. *(Business Standard)*

Banking system credit grows 11.3% in October 31 fortnight: RBI data

According to the data, banking system credit stood at Rs 193.9 trillion, while deposits stood at Rs 241.7 trillion during this period. Additionally, in the fortnight, banking system credit grew Rs 1.78 trillion, while deposits grew Rs 2.90 trillion. Recently, major banks reported that they are seeing green shoots in the economy due to the combined effects of goods and services tax (GST) rationalisation, income-tax cut by the government, and rate cut by the Reserve Bank of India (RBI). *(Business Standard)*



US tariffs pinch margins of Indian solar PV module manufacturers

The tariffs imposed by the US, which accounted for almost all of India's solar PV module exports in 2024, are impacting the export competitiveness of the country's export-oriented and evolving manufacturing ecosystem. The International Renewable Energy Agency (IRENA), in its latest report, notes that India is emerging as a major solar PV manufacturing and exporting hub, with domestic solar module manufacturing capacity growing from less than 5 gigawatts (GW) in 2018 to more than 68 GW in 2024. However, it also points out that export-oriented manufacturers in India are facing significant hurdles, with the US, a major trading partner that accounted for 97 percent of the Indian solar PV module export market in 2024, imposing a total of 50 percent tariff on Indian goods as of August 2025. *(BusinessLine)*

India's trade deficit hits record \$41.68 billion in October as exports fall and gold imports surge

India's trade deficit widened to a record \$41.68 billion in October as exports contracted 11.8 percent (year-on-year) to \$34.38 billion during the month, hit by the US tariffs. Imports rose 16.63 percent to \$76.06 billion, primarily as gold buys surged 199.22 percent to \$14.72 billion, per quick estimates shared by the Commerce Department on Monday. Exports to the US declined for the second consecutive month, falling 8.7 percent to \$6.3 billion in October as the impact of the 50 percent US tariffs imposed in August kicked in. *(BusinessLine)*

RBI's export relief may weigh on rupee as exporters delay dollar inflows

The Reserve Bank of India's latest export relief steps may pressure the rupee, with several bankers noting that the added flexibility could prompt exporters to delay bringing back foreign earnings, weighing on near-term dollar supply. The RBI, on Friday, announced a package of relief measures to help exporters cope with the pressure from US tariffs, including extending the export realisation window to 15 months from nine, relaxing credit requirements and providing higher repayment flexibility. *(BusinessLine)*

Govt working on releasing exporters' arrears of ₹1,100 crore under popular schemes

In what could spell some relief for exporters struggling with US tariffs and a slowdown in global demand, the government is set to release over ₹1,100 crore outstanding payments for the interest equalisation schemes (IES) and market access initiative (MAI) pending for over a year in some cases. The clearance of the pending payments has been approved as part of the export promotion mission (EPM) package. Once the funds are allocated under revised estimates for budget FY26, the exporters' dues can be cleared. *(BusinessLine)*

India's shift away from Russian oil imports predates Trump tariffs

Since the 50% tariffs were imposed, U.S. President Donald Trump has been repeatedly claiming that India will be cutting its imports of Russian oil, something the Indian government has neither confirmed nor denied. The reduction of Russian oil is not just in absolute terms, but also in terms of its share in India's total oil imports. Russian oil accounted for about 41% of India's total oil imports in September 2024, which came down to 31% by September 2025. The first six months of 2025-26 had, however, snapped this four-year increasing trend, with Russia's share falling to 32.3% in the April-September period. *(The Hindu)*

India's oilmeal export rises 21% on year in Oct-25

The Solvent Extractors Association of India has released the data for export of oilmeals for the month of October, 2025 provisionally reporting it at 371,235 tons compared to 305,793 tons in Oct., 2024 i.e. up by 21%. The overall export of oilmeals during April to Oct, 2025 reported at 2,464,303 tons compared to 2,388,327 tons during the same period of last year i.e. up by 3%. *(Business Standard)*



Agriculture and Rural Economy

Farmers seek Maize Control Order to force ethanol producers pay MSP

Farmer leader Rampal Jat has demanded a Maize Control Order to ensure ethanol distilleries buy maize from farmers at the MSP of ₹2,400/quintal, as farmers are currently forced to sell at much lower prices, often below ₹1,100/quintal. He pointed out that while the government fixed the ethanol purchase price at ₹71.86/litre based on MSP, the average mandi price of ₹1,821/quintal would justify an ethanol price of only ₹54/litre, benefiting distilleries rather than farmers. Jat criticised the government for achieving the 20% ethanol blending target early but failing to ensure MSP for maize, despite rising maize area and production. He also linked the recent price drop to the government's reported plan to allow US maize imports under a bilateral agreement. *(BusinessLine)*

Growers see marginal rise in India's coffee output at 3.73 lakh tonnes, impacted by moisture stress

India's coffee output for 2025-26 is expected to rise by about 3%, reaching around 3.73 lakh tonnes, according to growers, even though the Coffee Board's initial estimate of 4.03 lakh tonnes is considered too high due to excess rain. While early blossom showers were favourable, the prolonged monsoon from May to October caused moisture stress in major producing regions of Karnataka and Kerala, affecting yields. Growers expect Arabica output to be 1-1.10 lt and Robusta 2.6-2.7 lt, slightly higher than last year's 3.63 lt total. Climate change, erratic rainfall, drought, landslides, soil erosion, labour shortages, and rising human-wildlife conflict, especially with elephants, pose serious threats to the plantation sector. *(BusinessLine)*

NABARD, IMAI to host first Earth Summit 2025-26 in Hyderabad

The National Bank for Agriculture and Rural Development (NABARD) and the Internet and Mobile Association of India (IAMAI) will organise the maiden Earth Summit 2025-26 with the theme 'Empowering rural Innovation for Global Change' in Hyderabad on November 20 and 21. The second edition of the conference series will take place in Gandhinagar on December 5 and 6, 2025, while the third meeting will be held in New Delhi in February 2026. "The Summit will serve as a global platform to drive policy outcomes, investments, and collaborations that accelerate rural transformation. Industry leaders from across sectors will explore ways to bridge gaps between technology, finance, agriculture, and climate action," Shaji K.V, Chairman, NABARD, said. *(BusinessLine)*

In Kashmir's saffron fields, flowers bloom but yields fall

In the crisp autumn air of Pampore's Lethpora, about sixteen kilometres south of Srinagar, Ali Mohammad Reshi moves slowly through rows of lilac saffron blossoms spread across his five-kanal farm. He plucks each delicate flower, its bright red stigmas standing out vividly, and collects them in a wicker basket. Later, he carefully separates and dries the fine threads, which produces the poshest spice. Reshi, however, is not happy with this year's harvest which he said has declined sharply compared to last year. "It is barely 25 percent of what I produced last season," he said, holding up a half-filled basket of freshly plucked flowers. *(BusinessLine)*

Small tea growers of Northeast urge Centre to introduce mechanism like MSP or FRP for green tea leaves

Small tea growers in Northeast India have urged the Centre to introduce a pricing mechanism such as MSP or FRP for green tea leaves to protect them from market price volatility and ensure fair returns. In a letter to Prime Minister Narendra Modi, associations of small tea growers from Assam and Nagaland said a system like the FRP for sugarcane could help secure sustainable income for growers. They also requested that all Agriculture Ministry schemes be extended to small tea growers and that fertilisers be provided at special subsidised rates. The appeal aligns with similar demands from tea manufacturers and growers' organisations, including the Indian Tea Association, for minimum sustainable tea prices. *(BusinessLine)*

PM releases ₹18,000 cr to 9 cr farmers under 21st instalment of PM-KISAN

Prime Minister Narendra Modi released the 21st PM-KISAN instalment of over ₹18,000 crore, benefiting 9 crore farmers, and said that ₹4 lakh crore has been directly transferred to small farmers so far under the scheme. He highlighted major progress in agriculture, including increased exports and support through the Kisan Credit Card, which has provided over ₹10 lakh crore in assistance this year. Stressing the need to reduce chemical use and promote natural farming for soil health and lower costs, he urged farmers to adopt "one acre, one season" of natural farming and called on scientists to treat fields as living laboratories to make natural farming a science-driven movement. *(BusinessLine)*

India's rabi crops acreage up 10% with wheat area rising 17%

India is seeing higher rabi sowing this season due to early planting and the early onset of winter, with the total cropped area up 10.3% to 208.19 lh as of November 14. Wheat acreage has risen 17% to 66.23 lh, while barley, maize, and pulses like chana and masur also show notable increases. The government aims to produce 171.14 mt of foodgrains and 15.07 mt of oilseeds this year, expecting better yields with favourable weather. Agricultural agencies have advised farmers on timely sowing, irrigation, and crop management to support the higher production target. (*BusinessLine*)

Solapur set to emerge as India's new onion hub under Maharashtra's policy push

The State government committee drafting Maharashtra's onion policy has recommended setting up an onion terminal in Solapur, positioning the city as a key central hub for onion trade between North and South India. At a recent meeting in Solapur, under the chairmanship of the president of the Agriculture Costs and Prices Commission, Pasha Patel, members discussed developing the terminal to support farmers and strengthen both domestic and international onion trade. Along with Lasalgaon in Nashik, Solapur receives onions from across the state, and its APMC plays a crucial role in pricing and trading. Committee members recommended that the proposed terminal house all facilities under one roof, including scientific storage systems to prevent damage and reduce post-harvest losses. (*BusinessLine*)

Govt pushes nano-fertilizers amid surge in conventional fertilizer demand, but farmers remain wary

As rabi sowing accelerates and fertilizer demand surges, the government is pushing nano-fertilizers to manage concerns over limited supplies of conventional fertilizers. Sales of granular nutrients have risen sharply and sown area is up 27%, but farmers have shown mixed responses to nano-urea and nano-DAP, with many still hesitant to adopt the technology. IFFCO is promoting seed treatment with nano-fertilizers as a cost-saving option and aims to significantly scale up sales, while officials say nano products could boost efficiency and support sustainable farming if farmer acceptance improves. (*BusinessLine*)



Industry, Manufacturing, Services and Technology

TRAI issues notices to top broadcasters for failing to provide ad duration data

The Telecom Regulatory Authority of India (TRAI) has served show-cause notices on many major broadcasters for failure to submit data related to advertisement duration telecast per hour on their channels, according to sources. Industry executives expressed concern regarding the notices, considering the matter is sub judice. In 2012, the TRAI released the Standards of Quality of Service (Duration of Advertisements in Television Channels). This mandated that broadcasters should restrict advertisements on television channels to a maximum of 12 minutes per hour. (*BusinessLine*)

US tariffs hit key labour-intensive exports from India in Oct

India's exports of key labour-intensive items such as garments, leather products, engineering goods, gems and jewellery, and chemicals, took a hit in October as the 50 per cent US tariffs made Indian products less competitive in the American market. On the positive side, while India's exports to the US declined 8.6 percent in October to \$6.3 billion from \$6.9 billion in October 2024, posting a fall for the second consecutive month, it was 14.5 per cent higher than exports of \$5.5 billion in September 2025. *(BusinessLine)*

Textiles Ministry approves 17 applicants in third PLI round

The Textiles Ministry has approved 17 new applicants in the third round of selection under the Production Linked Incentive (PLI) Scheme for textiles with a total investment commitment of ₹2,374 crore, per the government. This significant step is set to further accelerate investment, boost domestic manufacturing, and enhance India's global competitiveness in the man-made fibre (MMF) apparel, MMF fabrics, and technical textiles sectors, the statement highlighted. *(BusinessLine)*

Indian aviation can soar to greater heights

India stands on the threshold of an extraordinary transformation of its aviation sector, as it takes wing to become the world's third-largest aviation market. India's ascent is led by huge fleet expansion to meet the rising passenger demand. Over the last two years, Indian carriers have placed orders for close to 1,300 new commercial aircraft, reflecting strong industry confidence and long-term growth potential. The government has been supportive with both its vision and in ensuring that India has more modern airports—whose numbers have more than doubled, from 74 in 2014 to 159 today—and other relevant infrastructure. *(BusinessLine)*

Boeing sees next growth phase in aerospace electronics, avionics manufacturing

The next growth phase for India's aerospace sector lies in aerospace electronics and avionics manufacturing, which aligns closely with the country's semiconductor and advanced manufacturing push, according to Boeing. The company said this evolution reflects the maturing depth of the US-India partnership in aerospace industrialisation, which is now moving from component sourcing to high-value systems manufacturing. *(BusinessLine)*

Chip design and AI-driven engineering emerge as niche growth bets for IT sector

India's IT services leaders are ramping up their semiconductor design and AI-driven engineering capabilities as global chipmakers step up presence in the country. While analysts expect this to remain a specialised niche - centred on chip design, verification and fab-level AI systems rather than a cloud- or AI-scale breakout - the segment is steadily expanding and poised for much larger growth. *(BusinessLine)*

US tariffs pinch margins of Indian solar PV module manufacturers

The tariffs imposed by the US, which accounted for almost all of India's solar PV module exports in 2024, are impacting the export competitiveness of the country's export-oriented and evolving manufacturing ecosystem. In such a scenario, it has become important that Indian solar PV module manufacturers focus on long-term export competitiveness by developing high-efficiency technologies, strong ESG and innovation performance and early alignment with emerging European regulatory and emissions requirements. *(BusinessLine)*

India's AI shift moves from pilots to performance: EY-CII Report

India's enterprise AI landscape has reached a pivotal stage, according to the latest EY-CII report, which says nearly half of Indian enterprises now have multiple Generative AI live use-cases. The report says 23 percent remains in the pilot stage, signalling a clear shift from experimentation to execution. Notably, 76 percent of business leaders believe GenAI will have a significant business impact, and 63 percent report being prepared to leverage it effectively. *(BusinessLine)*

Technology funds outsmart IT index and broader market

The landscape of what constitutes technology in the Indian markets has witnessed considerable change over the past 4-5 years. It is no longer synonymous with the top few IT companies or the odd telecom firm that mutual funds tracking the segment used to invest in. At a time when Indian IT, especially the frontline top-tier ones, face the heat of weak client spends and AI-related business as well as workforce disruption, several other tech-related segments have fared reasonably well to lift the investment basket. *(BusinessLine)*



News on Kerala

KSEB submits proposals for 128 charging stations

The Kerala State Electricity Board (KSEB) has submitted proposals for establishing electric vehicle charging stations in 128 locations under the Centre's PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM e-DRIVE) Scheme. The proposals, submitted to the Ministry of Heavy Industries (MHI), cover a total subsidy claim of ₹153.43 crore, according to the KSEB. The PM e-DRIVE scheme is aimed at accelerating the adoption of EVs and strengthening the charging infrastructure network and the EV manufacturing ecosystem. The scheme offers 100% Central financial assistance for eligible projects on a first-come, first-serve basis through nodal agencies appointed in the States. *(The Hindu)*

Kochi wins national honour for best green transport initiative

Adding another milestone in sustainability, Kochi bagged the 'City with Best Green Transport Initiative' award. The award has been conferred by the Ministry of Housing and Urban Affairs (MoHUA) at the Urban Mobility India (UMI) Conference 2025. The recognition comes under the project titled 'mega green energy projects powering Kochi's transport sector,' jointly implemented by Kochi Metro Rail Limited (KMRL), Cochin International Airport Limited (CIAL) and Kochi Water Metro Limited (KWML). *(onmanorama)*

GULATI INSTITUTE OF FINANCE AND TAXATION
GIFT Campus, Chavadamukku,
Sreekariyam, Thiruvananthapuram, Kerala - 695017
Phone : 0471 2596970, 2596980, 2590880, 2593960
Fax : 0471 2591490
Email : giftkerala@gmail.com



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